

SOURCE: FTR Amdt. 61, 62 FR 13763, Mar. 21, 1997, unless otherwise noted.

### Subpart A—Payment of Incentive to the Employee

NOTE TO SUBPART A: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

#### § 302-14.1 What is a “homesale program”?

It is a program offered by an agency through a contractual arrangement with a relocation services company. The relocation services company purchases a transferred employee's residence at fair market (appraised) value and then independently markets and sells the residence.

#### § 302-14.2 What is the purpose of a home marketing incentive payment?

To reduce the Government's relocation costs by encouraging transferred employees who participate in their employing agency's homesale program to independently and aggressively market, and find a bona fide buyer for, their residence. This significantly reduces the fees/expenses their agencies must pay to relocation services companies and effectively lowers the cost of such programs.

#### § 302-14.3 Am I eligible to receive a home marketing incentive payment?

Yes, if you are an employee who is authorized to transfer and you otherwise meet requirements for sale of your residence at Government expense.

#### § 302-14.4 Must my agency pay me a home marketing incentive?

No. Your agency determines when it is in the Government's interest to offer you a home marketing incentive.

#### § 302-14.5 Under what circumstances will I receive a home marketing incentive payment?

You will receive a home marketing incentive payment when:

- (a) You enter your residence in your agency's homesale program;
- (b) You independently and aggressively market your residence;

(c) You find a bona fide buyer for your residence as a result of your independent marketing efforts;

(d) You transfer the residence to the relocation services company;

(e) Your agency pays a reduced fee/expenses to the relocation services company as a result of your independent marketing efforts; and

(f) You meet any additional conditions your agency has established, including but not limited to, mandatory marketing periods, list price guidelines, closing requirements, and residence value caps.

#### § 302-14.6 How much may my agency pay me for a home marketing incentive?

Your agency determines the amount of your home marketing incentive payment. The incentive payment, however, may not exceed the lesser of:

(a) Five percent of the price the relocation services company paid when it purchased the residence from you; or

(b) The savings your agency realized from the reduced fee/expenses it paid as a result of your finding a bona fide buyer.

#### § 302-14.7 Are there tax consequences when I receive a home marketing incentive payment?

Yes, the home marketing incentive payment is considered income. Consequently, you will be taxed, and your agency will withhold income and employment taxes, on the home marketing incentive payment. You will not, however, receive a withholding tax allowance (WTA) to offset the withholding on your home marketing incentive payment, nor will you receive a relocation income tax (RIT) allowance payment for substantially all of your Federal, state and local income taxes on the incentive payment.

### Subpart B—Agency Responsibilities

NOTE TO SUBPART B: Use of the pronouns “we” and “you” throughout this subpart refers to the agency.